GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4643
ANSWERED ON:25.04.2008
INVESTMENT BY PUBLIC SECTOR INSTITUTIONS IN STOCK MARKET CRASH
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Will the Minister of FINANCE be pleased to state:

(a) whether some public sector institutions like the Life Insurance Corporation (LIC) and State Bank of India (SBI) have invested substantial amount into the equity market following the recent crash; and

(b) if so, the amount of investments made by such public sector institutions in the equity market?

Answer

The Minister of State In The Ministry Of Finance (Shri Pawan Kumar Bansal)

(a) & (b): State Bank of India (SBI) has informed that it invests in stock markets on a regular basis as part of its Treasury operations. LIC also, in the usual course of investment of funds, buys and sells equities on day to day basis. The gross investments (purchases) made by Life Insurance Corporation of India (LIC) and the State Bank of India (SBI) during 21.01.2008 to 31.03.2008 in the equity market were Rs.13,137.29 crore and Rs.813.55 crore, respectively.